GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6146
ANSWERED ON:27.04.2001
ECONOMIC GROWTH
A. VENKATESH NAIK;ARUN KUMAR

Will the Minister of FINANCE be pleased to state:

(a) whether the economic growth (GDP) of the country has gone down during the third quarter of the current fiscal year 2000-2001;

(b) if so, the details of the growth rates during first, second and third quarter of the fiscal year 2000-2001 alongwith the reasons for dip;

(c) the rate of GDP growth during the corresponding period of 1999-2000; and

(d) the steps taken by the Government to achieve the target fixed?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): As per the Quarterly gross domestic product (GDP) estimates, GDP at factor cost at constant prices for the third quarter (October-December) of 2000-2001 is estimated to have increased by 5.7 per cent compared with an estimated increase of 6 per cent for the third quarter of 1999-2000.

(b) and (c): The details of growth rates for the first, second and third quarters of 1999-2000 and 2000-2001 are given in the Statement attached. The lower growth in the third quarter of 2000-2001 compared with the third quarter of 1999-2000 is due to lower growth in the GDP originating in Manufacturing, Trade, hotels, transport and communications, Financing, insurance, real estate and business services and Community, social and personal services.

(d) Growth targets are not fixed annually. However, the annual growth target for the Ninth Five-Year Plan (1997-2002) is fixed at 6.5 per cent. The trends in the economy are closely monitored and under constant review and appropriate measures taken in the light of emerging trends as and when necessary. The various economic reforms undertaken and policy measures contained in the Budget 2001-2002 particularly in the area of agriculture and rural development, infrastructure, financial sector, external sector, fiscal management, taxation, structural reforms etc. are expected to have a favourable impact on the overall growth.

Statement referred to in parts (b) and (c) of the Lok Sabha Unstarred Question No. 6146 for answer on April 27, 2001

QUARTERLY ESTIMATES OF GDP (at factor cost) (at 1993-94 prices)

(percentage change over the corresponding period)

Item	1999-2000			2000-2001		
	Q1	Q2	Q3	Q1	Q2	Q3
1. Agriculture, forestry & fishing	4.3	1.8	-1.1	1.7	1.9	1.2
2. Mining and quarrying	-0.7	3.0	0.9	3.2	5.6	4.3
3. Manufacturing	5.8	6.5	7.1	7.0	6.3	6.1
4. Electricity, gas and water supply	3.3	8.9	6.1	5.6	2.9	7.7
5. Construction	6.6	8.1	8.5	9.0	9.0	9.6
6. Trade, hotels, transport & commns.	8.3	7.8	8.3	9.6	7.3	7.4

7 Fin., real estate & business services	10.4	10.3	10.8	9.6	9.6	9.3
8. Community, social & personal services	12.9	5.0	15.8	5.2	8.9	8.2
Total GDP	7.1	6.2	6.0	6.3	6.5	5.7

Q : Quarter;
Q1 : April-June;
Q2 : July-September;
Q3 : October-December.